

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

ARTHROCARE CORPORATION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 01-504-SLR
	)	
SMITH & NEPHEW, INC.,	)	
	)	
Defendant.	)	

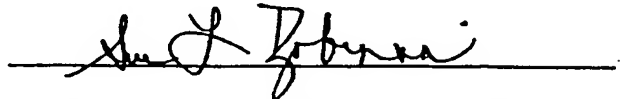
JUDGMENT IN A CIVIL CASE

ArthroCare Corporation, plaintiff, and Smith & Nephew, defendant, came before the Court for a trial by jury. On May 12, 2003, the jury rendered a verdict (D.I. 405, copy attached) on the issues of patent infringement of claims 46, 47, and 56 of the '536 patent, claims 13, 17, and 54 of the '882 patent, claims 1, 3, 4, 11, 21, 23, 26, 27, 32, and 42 of the '592 patent and of patent invalidity of claims 46, 47, and 56 of the '536 patent, claims 13, 17, and 54 of the '882 patent, and claims 1, 3, 4, 11, 21, 23, 26, 27, 32, and 42 of the '592 patent and of patent enablement of claims 13, 17, and 54 of the '882 patent and of patent validity of the Certificate of Correction of claim 1 of the '882 patent. The jury found for plaintiff as to all issues.

Therefore,

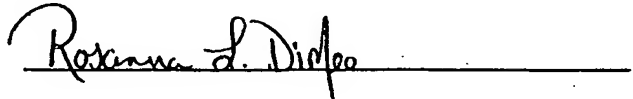
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IT IS ORDERED AND ADJUDGED that judgment be and is hereby entered in favor of ArthroCare Corporation, plaintiff, and against Smith & Nephew, defendant.



United States District Judge

Dated: June 20, 2003



(By) Deputy Clerk

FILED ALMA (WV) 624

405

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

ARTHROCARE CORPORATION,

Plaintiff,

v.

SMITH & NEPHEW, INC.

Defendant.

C.A. No. 01-504-SLR

SMITH & NEPHEW, INC.,

Counterclaim Plaintiff,

v.

ARTHROCARE CORPORATION, AND  
ETHICON, INC.,

Counterclaim Defendants.

**JURY VERDICT**

We, the jury, unanimously find as follows:

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**I. INFRINGEMENT OF ARTHROCARE'S PATENTS**

**A. The '536 Patent**

**Direct Infringement by Smith & Nephew of the '536 Patent**

1. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has directly infringed any of the following claims of the '536 patent with its Saphyre, ElectroBlade, or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	ElectroBlade	Control RF
'536	46	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	47	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	56	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO

**Inducement of Infringement by Smith & Nephew**

2. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has induced infringement by others of any of the following claims of the '536 patent with its Saphyre, ElectroBlade, or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	ElectroBlade	Control RF
'536	46	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	47	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	56	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO

### Contributory Infringement by Smith & Nephew

3. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has contributed to the infringement any of the following claims of the '536 patent with its Saphyre, ElectroBlade, or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	ElectroBlade	Control RF
'536	46	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	47	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'536	56	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO

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## B. The '882 Patent

### Validity of ArthroCare's Certificate of Correction for the '882 Patent

4. Do you find that Smith & Nephew has shown by clear and convincing evidence that the certificate of correction for claim 1 of the '882 patent is invalid? (A "YES" answer to this question is a finding for Smith & Nephew. A "NO" answer is a finding for ArthroCare.)

Patent	Claim	Invalid
'882	1	YES <input checked="" type="radio"/> NO

Answer questions 5-6 only if you have answered "NO" in question 4.

### Inducement of Infringement by Smith & Nephew of the '882 Patent

5. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has induced infringement by others of any of the following claims of the '882 patent with its Saphyre or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	Saphyre with Section	Electrode	Control RF
'882	13	<input checked="" type="radio"/> YES NO			
'882	17	<input checked="" type="radio"/> YES NO			<input checked="" type="radio"/> YES NO
'882	54		<input checked="" type="radio"/> YES NO		<input checked="" type="radio"/> YES NO

# **Contributory Infringement by Smith & Nephew of the '882 Patent**

6. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has contributed to the infringement of any of the following claims of the '882 patent with its Saphyre or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	Saphyre with Stimulator	Electrodeless	Control RF
'882	13	<input checked="" type="radio"/> YES <input type="radio"/> NO			
'882	17	<input checked="" type="radio"/> YES <input type="radio"/> NO			<input checked="" type="radio"/> YES <input type="radio"/> NO
'882	54		<input checked="" type="radio"/> YES <input type="radio"/> NO		<input checked="" type="radio"/> YES <input type="radio"/> NO

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## C. The '592 Patent

### Inducement of Infringement by Smith & Nephew of the '592 Patent

7. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has induced infringement by others of any of the following claims of the '592 patent with its Saphyre, ElectroBlade, or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	Electroblade	Control RF
'592	1	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	3	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	4	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	11	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	21			<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	23	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	26	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	27	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	32	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	42			<input checked="" type="radio"/> YES <input type="radio"/> NO



# Contributory Infringement by Smith & Nephew of the '592 Patent

8. Do you find that Arthrocare has shown by a preponderance of the evidence that Smith & Nephew has contributed to the infringement of any of the following claims of the '592 patent with its Saphyre, ElectroBlade, or Control RF products? ("YES" answers to these questions are findings for ArthroCare. "NO" answers are findings for Smith & Nephew.)

Patent	Claim	Saphyre	Electroblade	Control RF
'592	1	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	3	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	4	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	11	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	21			<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	23	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	26	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	27	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	32	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO	<input checked="" type="radio"/> YES <input type="radio"/> NO
'592	42			<input checked="" type="radio"/> YES <input type="radio"/> NO

**II. VALIDITY OF ARTHROCARE'S PATENTS**

**A. Anticipation of ArthroCare's Patents**

9. Do you find that Smith & Nephew has shown by clear and convincing evidence that the following claims of the patents-in-suit are invalid due to anticipation? (A "YES" answer to this question is a finding for Smith & Nephew. A "NO" answer is a finding for ArthroCare.)

**The '536 Patent**

	<u>Anticipated</u>	
<b>Claim 46</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 47</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 56</b>	YES	<input checked="" type="radio"/> NO

**The '882 Patent**

	<u>Anticipated</u>	
<b>Claim 13</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 17</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 54</b>	YES	<input checked="" type="radio"/> NO

**The '592 Patent**

	<u>Anticipated</u>	
<b>Claim 1</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 3</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 4</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 11</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 21</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 23</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 26</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 27</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 32</b>	YES	<input checked="" type="radio"/> NO
<b>Claim 42</b>	YES	<input checked="" type="radio"/> NO

**D.     Enablement of ArthroCare's Patent**

10.     Do you find that Smith & Nephew has shown by clear and convincing evidence that the following claims are invalid for lack of enablement? (A "YES" answer to this question is a finding for Smith & Nephew. A "NO" answer is a finding for ArthroCare.)

Patent	Claims	Invalid
'882	13, 17, 54	YES <input checked="" type="radio"/> NO

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Each Juror should sign the verdict form to reflect that a unanimous verdict has been reached.

Dated: May 12, 2003

Deephire Adkins  
Foreperson

Stacy Miranda

Christine M. Murray

Eileen Hansen

Bernard H. O'Neal

Jeff L. Byner

Carol D. Hansen

John D. O'Neal